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Sylvester Turner, Mayor



Department of Solid Waste Management FY2022 Budget Workshop Presentation

May 19, 2021

Functional Organizational Chart



General Fund
Solid Waste Management
Projected Budget \$89,242,620
FTEs: 429.2

Administration

\$37,209,030
FTEs: 48.8

- * Director's Office
- * Administrative Support
- * Contracts & Sponsorships
- * Utilities
- * Debt Service
- * CIP Management
- * Grants & Environment
- * Code Enforcement

North Operations

\$14,792,538
FTEs: 181.2

- * Northeast & Northwest Residential Collections
- * Northeast Bulk & Wood Waste
- * Northeast & Northwest Yard Waste
- * Northeast & Northwest Recycling
- * Northeast & Northwest Administration

South Operations

\$15,754,819
FTEs: 182.1

- * Southeast & Southwest Residential Collections
- * Southeast & Southwest Bulk & Wood Waste
- * Southeast & Southwest Yard Waste
- * Southeast & Southwest Recycling
- * Southwest Recycling Centers (ESC, Depositories, Roll Offs)
- * Southeast & Southwest Administration

Maintenance

\$21,486,233
FTEs: 17.1

- * Grounds & Facility Upkeep
- * Fuel
- * Spill Response (Equipment Breakdown)
- * Fleet Inter-Fund



- **Texas Health and Safety Code Chapter 361.Solid Waste Disposal Act mandates the collection, transportation and disposal of municipal solid waste.**

Revenues By Funds (\$ in thousands)



Category	FY20 Actual	FY21 Budget	FY21 Estimates	FY22 Proposed	Variance FY22 Prop/FY21 Estimates	% Change
General Fund	\$ 6,353	\$ 10,076	\$ 10,259	\$ 10,216	\$ -43	-.4%
Recycling Revenue Fund	\$ 4,208	\$ 4,191	\$ 4,191	\$ 4,276	\$ 85	2%
Total	\$ 10,561	\$ 14,267	\$ 14,450	\$ 14,492	\$ 42	.3%



FY2022 - Revenues Highlights

- No significant changes

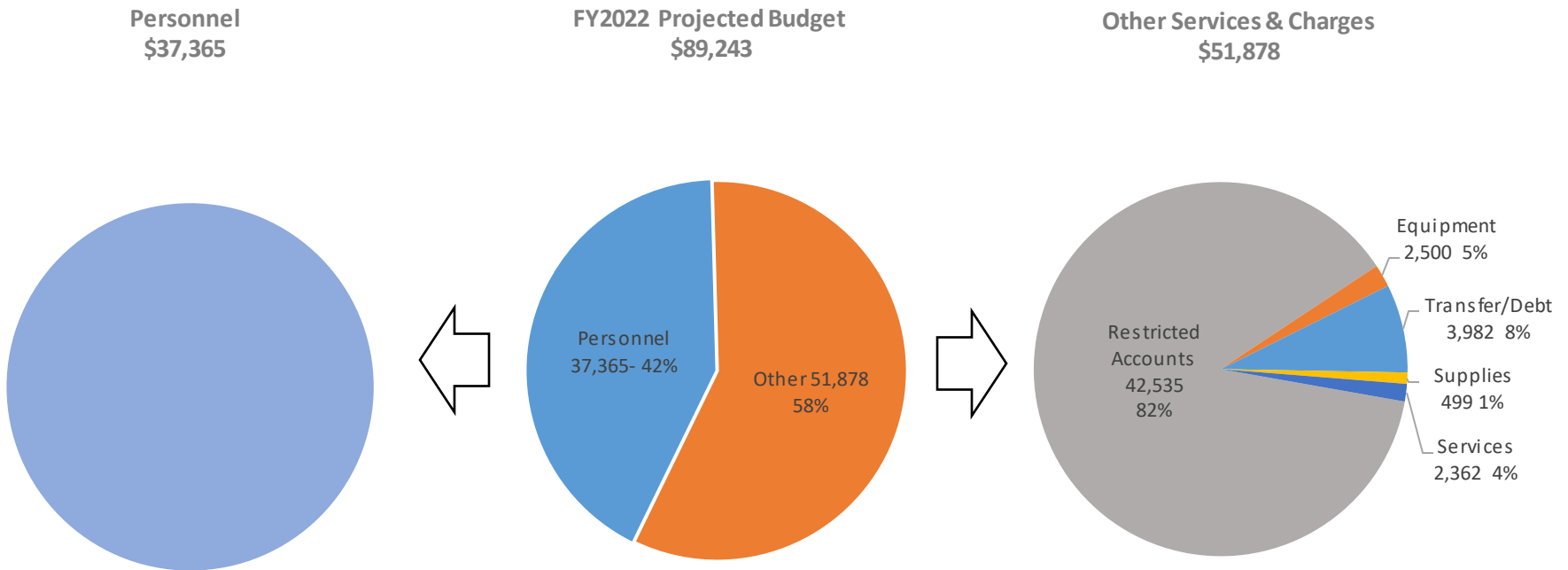
Expenditures By Funds (\$ in thousands)



Category	FY20 Actual	FY21 Budget	FY21 Estimates	FY22 Proposed	Variance FY22 Prop/FY21 Budget	% Change
General Fund	\$ 97,214	\$ 86,794	\$ 86,794	\$ 89,243	\$ 2,449	2.8%
Recycling Revenue Fund	\$ 4,084	\$ 4,687	\$ 4,550	\$ 3,986	\$ (701)	-15%
Total	\$ 101,298	\$ 91,481	\$ 91,344	\$ 93,229	\$ 1,748	1.9%

General Fund- FY2022 Personnel vs Non Personnel

(\$in thousands)

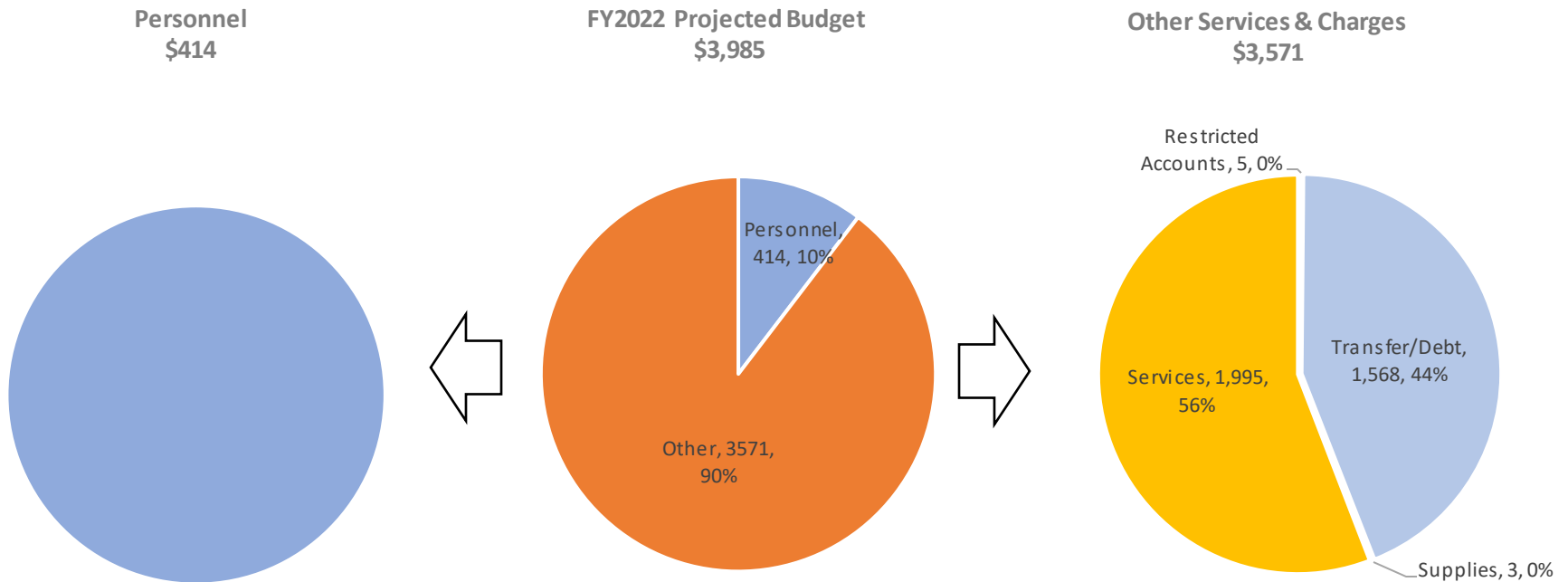


*Restricted accounts include Fleet, Fuel, Utilities, Shared Services

Recycling Revenue Fund- FY2022

Personnel vs Non Personnel

(\$in thousands)



*Restricted accounts include Shared Services

FY2022 Budget Expenditures Net Change (in thousands)



FY2022 General Fund Budget Expenditures Net Change to FY2021 Current Budget		
FY2021 Current Budget		Notes
Operating Budget	\$ 44,730	
Restricted Budget	\$ 42,535	1
FY2021 Current Budget	\$ 87,265	
Explanation of FY2021 Incremental Increase/(Decrease)		
One-time Adjustments		
Temperature Screening Redeployment	\$ (278)	2
Health Benefits Return	\$ (193)	3
Total One-time Adjustments	\$ (471)	
Total Current Budget less One-time Adjustments	\$ 86,794	
Contractual or Mandated Adjustments:		
Municipal Pension	\$ 186	
Temperature Screening Redeployment	\$ 278	2
Health Benefits	\$ 605	3
Refuse Disposal Contract	\$ 716	
Restricted Accounts	\$ 982	
Refuse Disposal Carts	\$ 800	
Interfund Vehicle	\$ (1,118)	
Subtotal Contractual/Mandated Increases	\$ 2,449	
FY2022 Proposed Budget		
Operating and Contractual Adjustments	\$ 1,978	
FY2022 Proposed Budget	\$ 89,243	
% Change from FY21 Current Budget Excluding One-time adjustment	2.3%	
% Change from FY21 Current Budget	2.8%	
Notes: 1. Restricted Budget includes service chargeback accounts for items such as fuel, electricity, IT accounts, etc. 2. One-time adjustment for redeployment cost covered by CRF Fund in FY2021 3. Includes One-time adjustment for Health Benefits Return		

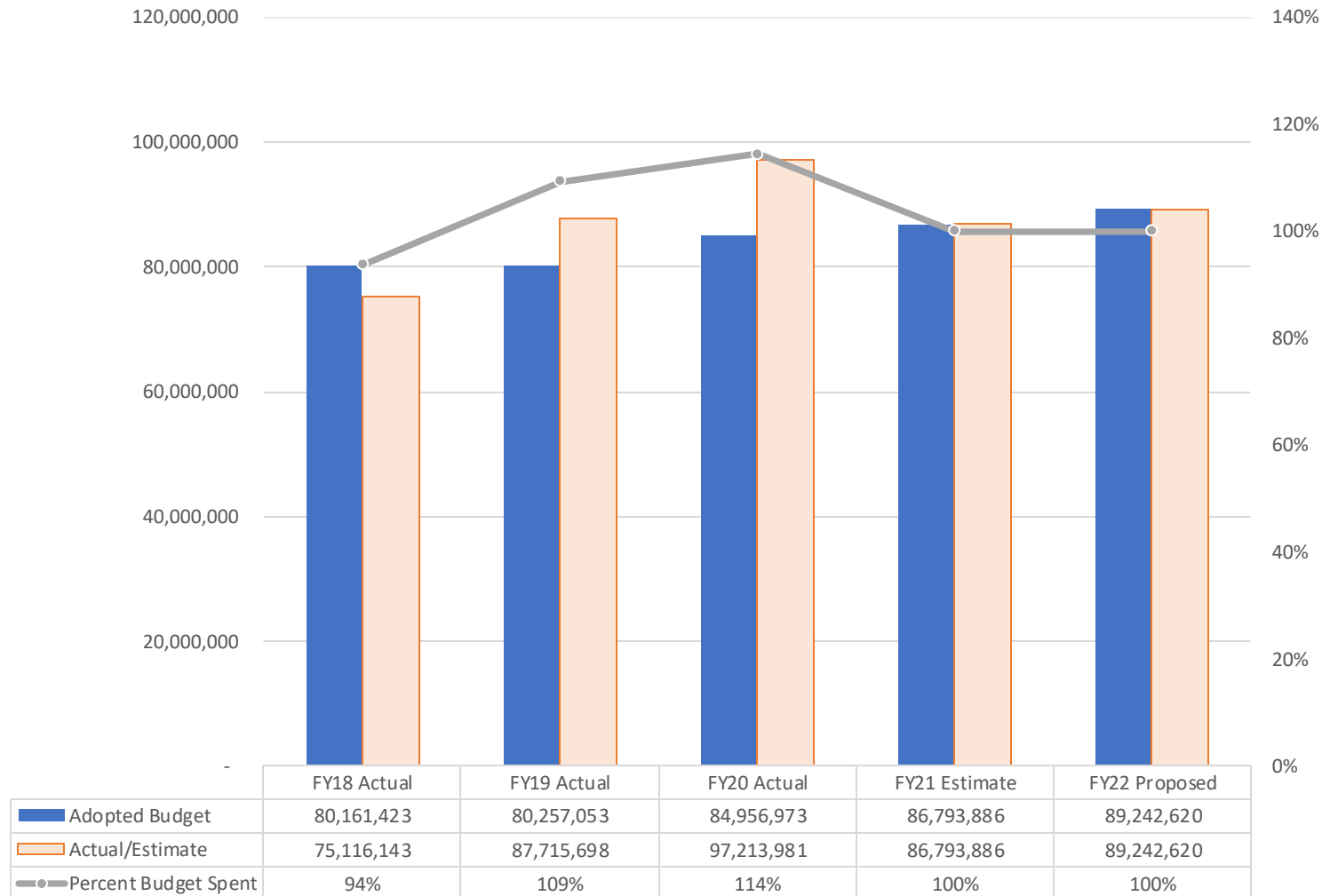
FY2022 - Expenditures Highlights



- Department expenditures may be impacted by the following:
 - Public Safety and Homeland Security events
 - Higher competition for experienced CDL drivers in the transportation sector
 - Continued demands for services based on population growth.
 - Overtime, Vacancies, Temporary Services
 - Route and equipment “right-sizing” to properly meet core needs
 - Budget has remained flat, except for Pension, Health Benefits & Restricted Accounts adjustments.



Budget History





Appendix

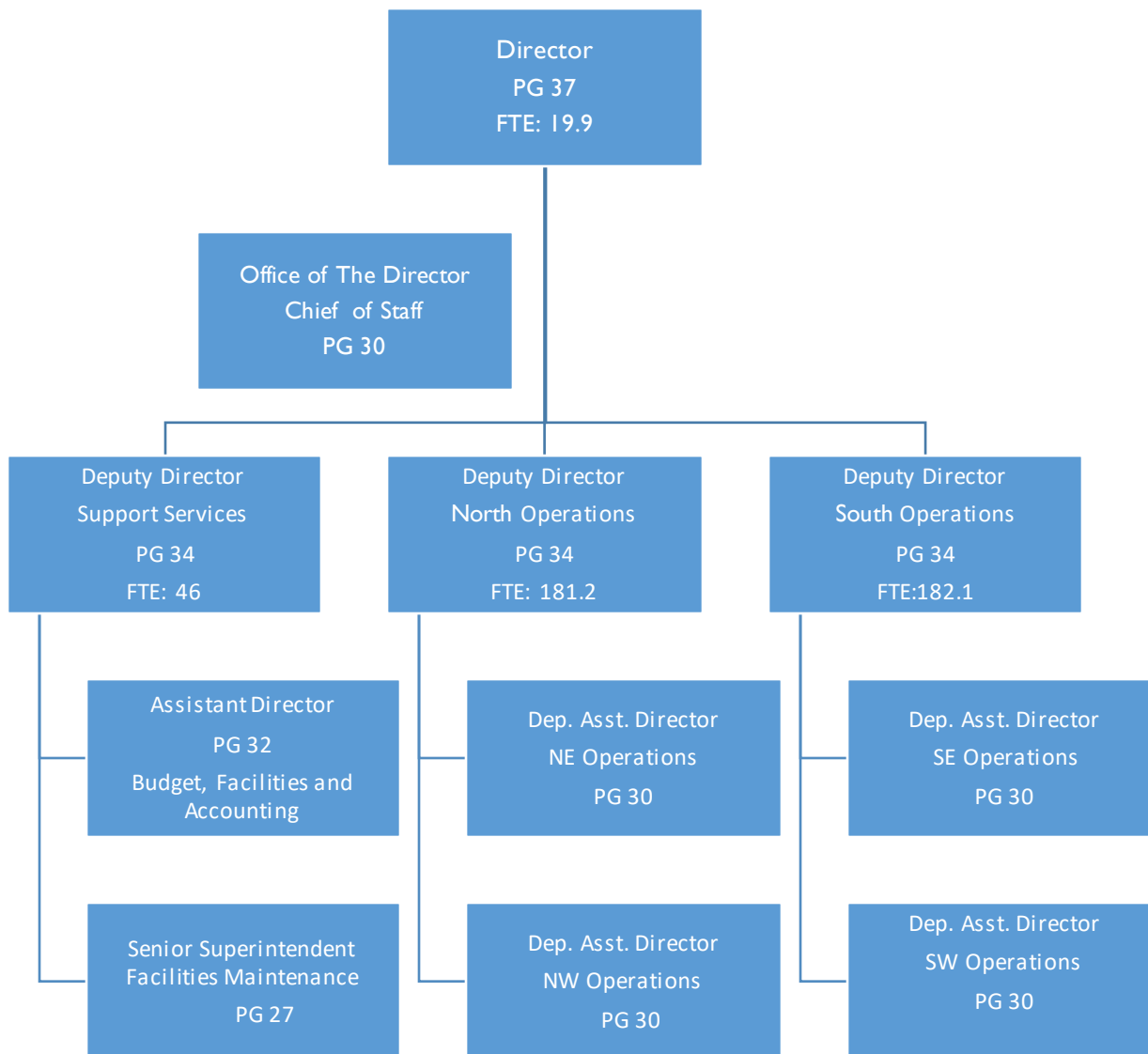


Restricted Account Details

GL Description	Justification & Cost Drivers
Fuel	Fuel Program operates and manages all City owned fuel sites. Expense explanation - Fuel services are driven primarily by market pricing
Application Services	Costs include Microsoft Enterprise licenses, 3-1-1 maintenance support and applications, SAP licenses maintenance and support, various Enterprise Application and Server support personnel, CSMART (MCD Only), eSignature, Project Management, Infor, eDiscovery, Cyber Security Office software and support, HITS Budget support via the Finance Department, eSignature
Insurance Fees	Cost increase for property insurance premium.
Electricity	Responsible for administering the electricity accounts for the City. Program is responsible for overseeing procurement contracts, forecasting, providing price certainty, and financial reporting. Electricity expenses are projected to be lower than the previous year as a function of the competitive bidding process.
Natural Gas	Responsible for administering the natural gas accounts for the City. Program is responsible for overseeing procurement contracts, forecasting, providing price certainty, and financial reporting. Natural gas expenses are projected to be lower than the previous year due to current market conditions and locking in a rate favorable to the City.
Data Services	Costs associated with software and maintenance support contracts required to maintain city networks, applications, desktop devices, servers, payment card industry security, storage devices, cloud services, telephone systems and network equipment including Phonoscope circuits. Contracts cover Antivirus, Firewall and Network backup systems. Also, the Data Center costs are included in the Data Services restricted account.
Voice Services	Monthly costs for Voice/Communication Services. The services include: Local landlines, voice/data circuits, long distance, 1-800 numbers, calling cards, language lines, Citywide ISP/Internet Access. The major vendors are ATT, Department of Information Resources (DIR), Verizon and Century Link.
Voice Labor	Labor costs and parts needed to perform work associated with installation and/or upgrades of telephone systems and cabling. The sole vendor is Selrico.
GIS Revolving Fund Services	Personnel, software licenses and maintenance costs associated with the city of Houston's Enterprise Geographic Information System (EGIS)
Voice Services - Wireless	Monthly charges for Verizon Business services and mobile devices including cell phones, air cards and tablets.
Interfund HR Client Services	Include HR operation cost reflecting health benefits and restricted accounts increase.
KRONOS Service Chargeback	Software license and maintenance costs associated with the city of Houston's Time and Attendance System (KRONOS)
Drainage Fee Service Chargeback	Fee is based on impervious service.
Interfund Permit Center Rent Chargeback	The cost include the HPC Point of Sale cost increase for credit card merchant fee, and lease cost increase.
Interfund Vehicle Services	Provides repair, maintenance, and administrative support for all city departments' rolling stock equipment. Expense explanation - Vehicle Services are projected to increase driven by part cost, contractual increases, and an aging vehicle population.
Interfund Radio System Access	Due to the consolidation of the radio group in General Fund to revolving fund for HITS. This group is responsible for the operation and maintenance of the City's public safety radio system.



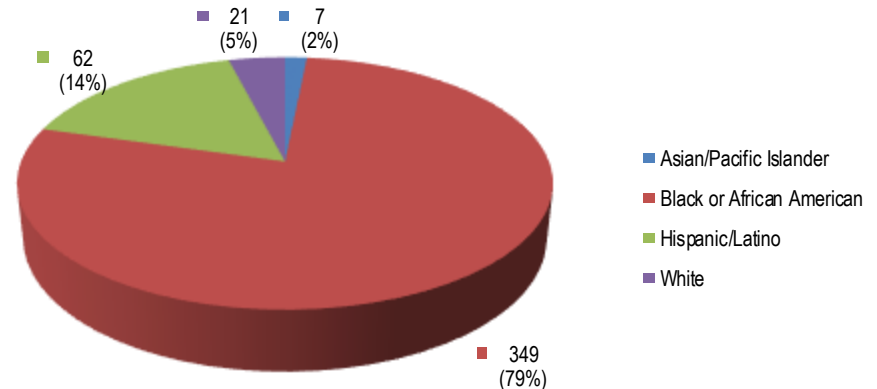
Department Org Chart



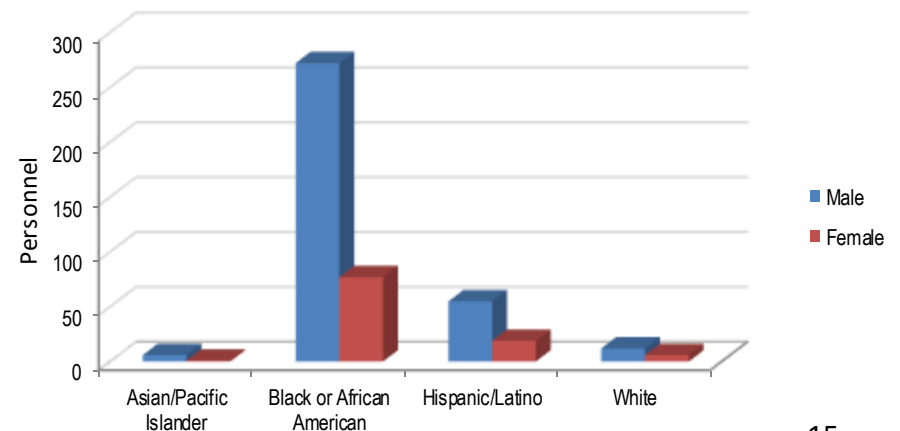
Demographic Data

- The department is comprised of:
 - 79% African American
 - 14% Hispanic/Latino
 - 5% White
 - 2% Asian/Pacific Islander
- 70% of the department is male; 30% female

SWM Demographic data by ethnicity



SWM Demographic data by gender & ethnicity





Department FY2021 Accomplishments

- COVID 19 response and cleaning
- Homeless Initiative
- Anti-Litter Abatement
- Hurricane Harvey ongoing waterways debris and silt removal projects
- Finalized Long Range Solid Waste Management Plan
- Began robust recycling education campaign





Resilience and Climate Action

High-priority Initiatives or Projects	Resilient Houston Goals/Target/Actions	Climate Action Plan Goal/Target/Action
Commercial Recycling Initiative: convene multi-stakeholder task force to address waste reduction and diversion from commercial waste stream	Goal 10: Action 31 Goal 11: Action 37	Materials Management Goal 3: M2.3
Curbside Recycling Cart-Tagging: provide real-time, personalized feedback to residents on the contents of their recycling cart to improve recycling program	Goal 10: Action 31 Goal 11: Action 37	Materials Management Goal 1
Rubicon Implementation: improve route efficiency via real time feedback	Goal 10: Action 31 Goal 11: Action 37	Materials Management Goal 2: M2.1 Transportation Goal 2
Recollect Implementation: provide service information and recycling education via website and mobile app in multiple languages	Goal 10: Action 31 Goal 11: Action 37	Materials Management Goal 1 & 2
Compost Drop-Off Pilot: working with the Sustainability Office, Resiliency Office and Council Member Alcorn's Office to host a pilot of a drop-off compost program for residential food waste	Goal 10: Action 31 Goal 11: Action 37	Materials Management Goal 1: M1.2



Questions